

STATE OF NORTH DAKOTA
BEFORE THE COMMISSIONER OF INSURANCE

In the Matter of)
)
Brokers National Life Assurance)
Company,)
FEIN 63-0483783,)
)
Respondent.)

CONSENT ORDER

Commissioner of Insurance Jim Poolman (hereinafter "Commissioner") has determined as follows:

1. The Commissioner has authority in this matter pursuant to N.D. Cent. Code Title 26.1 and N.D. Cent. Code § 28-32-05.1.
2. Brokers National Life Assurance Company, FEIN 63-0483783 (hereinafter "Respondent"), is a foreign insurance company domiciled in Arkansas and licensed to do business in North Dakota pursuant to N.D. Cent. Code Chapter 26.1-11.
3. The Commissioner has jurisdiction over the Respondent and the subject matter of this Consent Order is made in the public interest.
4. N.D. Cent. Code § 26.1-30-19(1) states:

No insurance policy, contract, agreement, or rate schedule may be issued or delivered in this state until the form of that policy, contract, agreements, or rate schedule has been filed with and approved by the commissioner.
5. In May 2003, it had come to the Department's attention that Respondent had been charging a \$10 billing fee to each Group Billing Statement issued by Respondent. Respondent had not requested approval to charge the billing fee nor was the billing fee approved by the

Commissioner. Respondent's use of a nonapproved billing fee violates N.D. Cent. Code § 26.1-30-19.

6. As a result of information obtained by the Department regarding the conduct of Respondent, the Commissioner has considered scheduling a formal hearing to determine whether Respondent's conduct, as alleged, constitutes a basis for imposition of civil penalty, or any action that the Commissioner deems necessary.

7. As a result of the above violation, Respondent is subject to payment of an administrative monetary penalty of up to \$10,000 under N.D. Cent. Code § 26.1-01-03.3.

8. Respondent has agreed to an informal disposition of this matter, without a hearing, as provided under N.D. Cent. Code § 28-32-05.1.

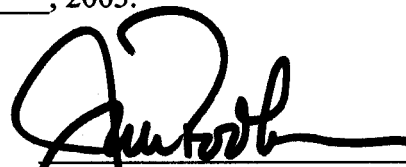
9. For purposes of resolving this matter, without further administrative proceedings, Respondent and the Commissioner have agreed to enter the following Order:

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. Respondent is assessed an administrative penalty in the amount of \$1,000 which shall be paid within fifteen (15) days of the execution of this Order.

2. The use of this Consent Order for competitive purposes by an insurance agent or agency holding a license in the State of North Dakota, or by any company holding a Certificate of Authority, or by anyone on their behalf, may be deemed unfair competition and be grounds for suspension or revocation of said license or authority.

DATED this 28th day of July, 2003.



Jim Poolman
Commissioner of Insurance
State of North Dakota

CONSENT TO ENTRY OF ORDER

The undersigned, Tammy Barr, on behalf of **Brokers National Life Assurance Company**, states that he/she has read the foregoing Consent Order, that he/she knows and fully understands its contents and effect; that he/she has been advised of his/her right to be represented by legal counsel, his/her right to a hearing in this matter, his/her right to present evidence and arguments to the Commissioner, and his/her right to appeal from an adverse determination after hearing; and that by the signing of this Consent to Entry of Order he/she waives those rights in their entirety, and consents to entry of this Order by the Commissioner of Insurance. It is further expressly understood that this Order constitutes the entire settlement agreement between the parties hereto, there being no other promises or agreements, either expressed or implied.

DATED this 11 day of July, 2003.

Brokers National Life Assurance Company

By: Tammy Barr
Name
Vice President - Underwriting
Title

Subscribed and sworn to before me this 11 day of July, 2003.

Jerry Ouzts
Notary Public

My commission expires: 8/29/05

